

AMENDED IN ASSEMBLY APRIL 17, 2013

AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## ASSEMBLY BILL

**No. 412**

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**Introduced by Assembly Member Allen**

February 15, 2013

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An act to add Section ~~12096.4.5~~ *13996.66* to the Government Code, relating to economic development.

### LEGISLATIVE COUNSEL'S DIGEST

AB 412, as amended, Allen. International trade.

The Economic Revitalization Act establishes the Governor's Office of Business and Economic Development, also known as "GO-Biz," to, among other duties, serve the Governor as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. *Existing law requires the director of GO-Biz to develop and implement certain programs promoting international trade and investment, and to update every 5 years a strategy for international trade and investment.*

This bill would require the director of GO-Biz, ~~on or before October 1, 2015,~~ to submit *to the legislature, on or before October 1, 2015,* a study on the potential roles of the state in global markets ~~to the Legislature,~~ as specified. This bill would require the study to include, among other information, recommendations for priorities of state activities and funding related to international trade and investment, and an analysis of recommendations made in a similar study published in 2007. *This bill would require the director to update the study on or before October 1, 2018, and every 5 years thereafter.*

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Section ~~12096.4.5~~–13996.66 is added to the  
2     Government Code, to read:  
3     13996.66. (a) On or before October 1, 2015, the director shall  
4     complete a study on the potential roles of the state in global  
5     markets. *The study shall be used to inform and guide the office in*  
6     *undertaking its activities pursuant to this chapter, including, but*  
7     *not limited to, the development and implementation of the strategy*  
8     *and its updates required by Section 13995.55.*  
9     (b) The study shall include, but not be limited to, all of the  
10    following:  
11    (1) A discussion of California’s economy and its relationship  
12    to global markets, including, but not limited to, identification of  
13    current and emerging trends, industries, services, and areas of  
14    comparative advantage.  
15    (2) An inventory and gap analysis of existing programs and  
16    services provided by local, state, federal, and private entities, that  
17    serve, or could serve, businesses in opening new foreign markets  
18    for their products, attracting foreign investment to their businesses,  
19    or generally assisting California businesses in global markets.  
20    (3) An assessment and gap analysis of the current and future  
21    physical and human infrastructure related to foreign trade and  
22    investment markets, and the appropriate role for state government  
23    to improve the infrastructure needs.  
24    (4) The results of a survey of businesses on their needs and  
25    priorities related to foreign trade and investment. The study may  
26    rely on current surveys prepared by trade organizations or academic  
27    centers dedicated to economic development, or other surveys, as  
28    appropriate.  
29    (5) An examination of how best to coordinate and leverage  
30    existing local, state, and federal organizations, programs, and  
31    services related to international trade and investment.  
32    (6) An assessment of unique opportunities and challenges in  
33    developing businesses and attracting investment along the border  
34    and in historically underserved urban and rural areas.

1 (c) (1) The study shall include recommendations on policies,  
2 programs, and funding needs for the next three years, seven years,  
3 and over the long term.

4 (2) Recommendations may include infrastructure improvements,  
5 workforce training needs, incentives for business or investors, and  
6 *the* need for international trade and investment offices in relation  
7 to the international trade and investment needs of the state.

8 ~~(3) To the extent international trade and investment offices are~~  
9 ~~found to be appropriate, the study may make general~~  
10 ~~recommendations on the administration, oversight, and mission~~  
11 ~~or missions of those kinds of offices.~~

12 ~~(4)~~  
13 (3) The study shall recommend priorities for state activities and  
14 funding related to international trade and investment. The priorities  
15 shall be based on the assessment of current and emerging market  
16 trends, the inventory and gap analysis of programs and services,  
17 the assessment of current and future infrastructure and workforce  
18 needs, and input by the business community.

19 ~~(5) The study shall recommend an organizational structure for~~  
20 ~~the state administration of international trade and investment~~  
21 ~~policies, programs, and services.~~

22 ~~(6)~~  
23 (4) The study shall include a review of a report entitled, "Toward  
24 a California Trade and Investment Strategy, Potential Roles for  
25 the State in Global Market Development" published by the  
26 Business, Transportation and Housing Agency on October 1, 2007,  
27 pursuant to the California International Trade and Investment Act  
28 of 2006 (Chapter 663 of the Statutes of 2006), and analyze whether  
29 the recommendations in that report proposed successful policies,  
30 programs, funding, priorities, and structure for state government  
31 to promote California businesses in global markets.

32 (d) During the course of the study, the director shall consult  
33 with other agencies, boards, and commissions that have statutory  
34 responsibilities related to workforce development, infrastructure,  
35 business, and international trade and investment, including, but  
36 not limited to, the California Transportation Commission, the  
37 California Community Colleges, the University of California, the  
38 California State University, the Workforce Investment Board, the  
39 Employment Training Panel, and the California Energy  
40 Commission.

(e) On or before October 1, 2015, the director shall submit the study to the Legislature in compliance with Section 9795. The director shall also *post the study on the Internet Web site of the office and deliver a copy of written notice that the study was posted* to the chairs of the Assembly Committee on Jobs, Economic Development, and the Economy and the Senate Committee on Business, Professions and Economic Development, or the successor committees with jurisdiction over international trade and economic development programs.

(f) (1) *The director shall update the study on or before October 1, 2018, and every five years after that date.*

(2) *To maintain consistency with the requirements of this section and Section 13996.55, regardless of the deadlines in paragraph (1), the director shall prepare the updates to the study or its updates required by this section before he or she completes the study or its updates required by Section 13996.55.*

(g) *For purposes of this section, the following definitions shall apply:*

(1) *“Director” means the Director of the Governor’s Office of Business and Economic Development.*

(2) *“Office” means the Governor’s Office of Business and Economic Development.*